

Performance Measures Workgroup

1st Round

- Team Members
 - Dave Lichy
 - Mike Jordan
 - Kimberley Oldham
 - Mark Dixon
 - Conrad Miller
 - Rod Shank
 - Larry Holman
 - Dave
 - Bill Goshorn



Performance Measures

2nd Workgroup

- Team Members
 - Dave Lichy - IWR
 - Mike Jordan - SWD
 - Kimberley Oldham - NWD
 - Greg Hutingger – NWK
 - Dennis Foss - MVS
 - Mark Mugler – OASA(CW)
 - Brenda Meeks - MVK
 - Peter Hentschel - NWK
 - Kamau Sadiki - NWD

Performance Measures Practical Principles

- Quantifiable – can it be measured
- Simple – does not require extensive calculations
- Understandable – well defined
- Objective – can't cook the books
- Alignment with customer objectives
- Useful to Customers and Corps
- Relates to Funding Decision
- Communication of Intent & Buy-In at the plant
(Incentive for the plant – Varies by source of funding). “Collect the data, it's \$ in the bank”. –
Need Well Articulated Objectives

Performance Measures Practical Principles

- Measures by Region
 - Dedicated PI tailored to suit the customers
- Joint Program – Separate by Business Line?
- Balance between Measures
 - Mutually Exclusive People
 - Eliminate Redundancies
 - Measuring the same thing twice

Value & Purpose of Measures

- National Level – Strategic Level
 - Indicators, for not decision making **Used as Informed Decision Making. Now an Incentive to compete for funding.**
 - Previously funding has not been tied to performance measures
 - FY06 will be revealing as to how performance is rewarded
 - Bring up poor performers or reward good performers? **Objectives will bring poor performers using 6 year budget plan.**
- Regional Level – Tactical Level
 - Communication & working with customers
 - Local trends
 - Determine priorities
 - Decision making under direct funding?
- Plant level – Operational Level
 - Operational and management decisions

Hydropower Objectives (HJA Plant Categories?)

1. Provide power services at lowest sustainable cost. S, T, O
 - a. Stable Rates (within inflation rate) Ultimately, this is what matter to the customers
 - b. O&M \$/MW cost of generation
 - c. Capital replacement costs per MW
 - d. Plant contribution to total rate structure
 - e. \$ per Capacity & Other Factors that effect rates
 - f. Large maintenance
 - g. Joint costs – non generation costs
 - h. Staffing per unit = direct correlation to cost
 - i. Project – Need capability to provide data to justify benefits to defend budget
 - j. # of De-rated Unit
 - k. Risk & Condition Index
 - l. Life Cycle costs
 - m. Moving average trend
 - n. Economic Analysis (Regional/National)
2. Optimize hydropower as a renewable resource that does not contribute to greenhouse gases. S
 1. Tons of greenhouse gases prevented
 2. % of available water used for power generation = missed opportunity to have prevented more
 3. New capacity (Uprating)
 4. fossil fuels saved

Hydropower Objectives (HJA Plant Categories?)

3. Meet or exceed industry standards for reliability and availability. S, T, O
 1. NERC compliance
 2. Forced outage rate – reliability
 3. Peak season availability (applied only to peaking plants)
 4. Total operating hours vs. outage hours
 5. Other availability measure?



Hydropower Objectives

4. Develop and implement a hydropower asset management strategy. S
 - Define what asset management means to each stakeholder group
 - Use ER to develop asset planning structure (Do you have a plan)
 - Measure what gets done.
5. Identify and implement opportunities to standardize equipment, processes, and services in coordination with other related federal hydropower agencies. S
 1. FIST manual
 2. FEM's (Maximo) – Make comparisons with other plants
 3. No consistency of definitions within and outside agencies
 4. Shared resources
 5. Measures ????
 6. Results will be reflected in other measures such as cost
6. Sustain a skilled hydropower workforce. S, T, O
 1. # of New hires vs. retirements
 2. # of new hires that completed training vs. how many new hire
 3. Hours of continuing education for plant employees
 4. Indicator of how well we are replacing and keeping what we got
 5. 5-7% trainees to total workforce

Hydropower Objectives

7. Strengthen and sustain hydropower partnerships with the power marketing administrations, preference customers, and federal power agencies. S
 1. # Regular sustained meetings with customers
 2. # contacts with others outside your agencies state, local and other Federal, tribal
8. Manage the hydropower program through sound project management principles. S
 1. % of projects (work packages) that met original budget and schedule commitments
 2. Overall % cost growth of all work packages
 3. % of projects that exceed original commitments
 4. Obligations and expenditures are less than 100% - Don't spend for spending sake
9. Optimize the hydropower resources within authorized project purposes and environmental laws. S, T, O
 1. Goal - No net losses in generation capacity
 2. % of operating hours that are being restricted due to environmental considerations
 3. Operating principle
 4. Existing ERGO Compliance – internal reviews

2nd Round – Where Do We Go from Here

- Categorize objectives and measures with regard to applicability to Funding Source i.e. Appropriation and/or DF.
- Cross Check:
 - Budget EC
 - OMBIL
 - Part
 - These Objectives
- Form Subcommittee to Continue and Define